

STATE ADMINISTRATIVE BOARD

RESOLUTION No. 2003-2

EXCEPTIONS TO THRESHOLD FOR CONTRACT APPROVAL ESTABLISHED BY RESOLUTION 2003-1

WHEREAS, under Section 3 of 1921 PA 2, MCL 17.3, the State Administrative Board ("Board") exercises general supervisory control over the functions and activities of all administrative departments, boards, commissioners, and officers of this state, and of all state institutions;

WHEREAS, under Section 2 of 1921 PA 2, MCL 17.2, the Board may adopt rules governing its procedure and providing for the general conduct of its business and affairs;

WHEREAS, the Board adopted Resolution No. 2003-1 on March 4, 2003, setting forth a general policy for all contracts, grants, or amendments that must come before the Board and reducing the threshold for state contracts and grants from \$250,000 to \$25,000 and the threshold for state contract and grant amendments from \$125,000 to \$25,000 regardless of the source of funding or duration;

WHEREAS, exceptions to the general policy set forth in Resolution No. 2003-1 are necessary to comply with statutory requirements, are in the interests of efficient and effective administration of state government, and may avoid delays or increased costs to the State of Michigan;

NOW THEREFORE, the State Administrative Board resolves that the requirements of Resolution No. 2003-1 do not apply to any of the following:

1. A Michigan Department of Transportation contract, grant, or amendment exempt from approval by the Board under Section 2 of 1925 PA 17, MCL 250.62.
2. A Michigan Department of Transportation construction or maintenance contract exempt from Board approval under the resolution of the Board dated May 1, 1979, as amended on December 2, 1980, April 7, 1981, August 18, 1981, May 15, 1984, April 7, 1987, December 15, 1987, January 5, 1988, May 2, 1989, September 13, 1996, and July 3, 2001.
3. A Michigan Department of Transportation Indefinite Delivery of Services contract for professional design consulting services exempt from Board approval under the resolution of the Board dated November 18, 1997.

4. A Michigan Department of Transportation Indefinite Delivery of Services contract for professional traffic and safety consulting services exempt from Board approval under the resolution of the Board dated July 21, 1998.

5. A Michigan Department of Transportation Indefinite Delivery of Services contract for professional construction engineering consulting services for maintenance purposes exempt from Board approval under the resolution of the Board dated August 4, 1998.

6. A Michigan Department of Transportation Indefinite Delivery of Services contract for professional construction engineering consulting services exempt from Board approval under the resolution of the Board dated December 1, 1998.

7. A professional service contract or construction contract to study, plan, construct, or equip projects authorized from operating appropriations and lump sum appropriations for special maintenance, energy, environmental, or fire protection projects, if approved by the Director of the Department of Management and Budget or an authorized representative of the Director. Any contract award under this paragraph shall be awarded to the lowest acceptable bidder after being publicly advertised.

8. A construction contract revision approved by the Director of the Department of Management and Budget or an authorized representative of the Director for any of the following:

a. The aggregate cost of the construction contract revision does not exceed the greater of 5% of the original contract amount or \$ 100,000.

b. A construction contract revision of less than \$10,000.

c. A construction contract revision resulting in a reduction in the contract amount or an aggregate contract amount less than the original contract amount.

Contracts approved under Paragraphs 7 and 8 shall be reported quarterly to the Board through its Building Committee.

This Resolution is effective March 25, 2003.